

MEMORANDUM FOR: Deputy Director for Support

SUBJECT: Proposed Regulation for Administration of the CIA Retirement System

1. This memorandum transmits for your review and distribution for appropriate coordination a draft regulation for the administration of the proposed CIA Retirement and Disability System as described in HR 8427.

2. The complexity of a retirement program makes for a necessarily long regulation. To assist somewhat in its review, we have marked in red on the attached draft those items which are not specifically stated in HR 8427. The unmarked sections are, for the most part, stated in the language of HR 8427; in a few cases, paraphrasing to suit the context or modification to reflect a delegation of authority (such as Director of Personnel for Director of Central Intelligence) has been necessary.

3. Much of the marked material reflects requirements inherent in HR 8427 or points on which our position was committed in our hearings before the House Armed Services Committee. We believe the following comments will be helpful in identifying such material.

a. Paragraph a, General, page 1: In our hearings before the House Committee we made plain our intention of covering qualified Staff-type careerists under the CIA system but of placing all personnel under Civil Service Retirement upon initial appointment. We did not suggest the possibility of covering non-staff types under the CIA system. However, the General Counsel has advised that there is no legal objection to doing so and the Chief, Operational Services has recommended on behalf of the Deputy Director for Plans that there be provision for covering career-agents.

b. Paragraph b, Policy, pages 1 and 2:

(1) As indicated above, we are committed by our presentation to the House Committee to the early designation and periodic review of participants.

(2) Although HR 8427 does not specify an appeal right, the Committee made plain its expectation that appeals would be permitted. The provision regarding the non-reviewability of determinations outside of the Agency was added by the Committee after establishing our intention to permit internal appeals.

c. Paragraph c, Responsibilities and Authorities, pages 2 and 3: HR 8427 provides for administration of the CIA Retirement system under rules and regulations prescribed by the Director. This paragraph provides for delegations of authority consistent with normal functional responsibilities in the Agency.

The proposed CIA Retirement Board would be a new Board. In addition to the advisory responsibilities assigned to it in the proposed regulation, the Board should provide an effective medium for the identification of problem areas and the coordination of policies and procedures for their solution.

d. Paragraph d, Definitions, pages 3 - 5: Additional definitions have been included to simplify the use of certain terminology elsewhere in the regulation.

Paragraph d(8), "Qualifying Service," on page 4, is one of the most critical paragraphs in the regulation. It is the first attempt to define with precision "qualifying service" as used in HR 8427. The definition proposed is, we believe, consistent with the explanation offered to the House Committee.

e. Paragraph e, Designation of Participants, pages 6 - 8: This paragraph is also extremely critical. The criteria for designation and the requirements for review were covered in our presentation to the House Committee. The specific procedures have been developed since that time.

f. Paragraph f, Retirement for Disability or Incapacity, pages 8 - 19: In developing procedures for this type of retirement, we have drawn heavily on the Foreign Service Regulation. However, the provision for a Panel of Examiners and the designation of the Chief, Medical Staff as Chairman of the Board of Medical Examiners are modifications which we have proposed as desirable in light of Agency requirements.

g. Paragraph h, Voluntary Retirement, pages 21 - 22: The proposed procedures are based on Foreign Service Regulations.

h. Paragraph j, Discontinued Service Retirement (Retirement at the Discretion of the Director) pages 23 - 25: This provision was the subject of intensive study by the House Committee and the proposed procedures are of major importance. We believe that they are consistent with Agency policy and practice respecting other involuntary separations.

i. Paragraph 1(2)(b), Voluntary Contributions based on Prior Service, pages 28 - 29 and 1(2)(c), Withdrawal Restricted, page 30: These provisions are not specifically covered in HR 8427 but are taken from Foreign Service regulations based on identical legislative authority.

4. In view of the 1 June target for submitting a coordinated draft regulation, we have sent advance copies of this memorandum and of the draft regulation to the other Deputy Directors, the Legislative Counsel, the Chief, Medical Staff, and the Director of Finance.

Director of Personnel

STAT

25X1

Approved For Release 2005/06/06 : CIA-RDP75B00380R000700150020-1

Next 38 Page(s) In Document Exempt

Approved For Release 2005/06/06 : CIA-RDP75B00380R000700150020-1